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U.S. Attorney in San Diego Fired in Dispute

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U.S. Attorney William H. Kennedy of San Diego was fired yesterday for publicly confirming that a former Mexican official implicated in an international car-theft ring was a valuable CIA intelligence source.

Attorney General William French Smith said the action was taken because Kennedy had made "improper comments" about the pending criminal case.

"The comments were highly prejudicial to the interests of the United States," said Smith in a statement announcing Kennedy's dismissal.

Kennedy, 50, was notified of the action by White House director of personnel E. Pendleton James, who said President Reagan had signed his dismissal papers.

"I will comply with the president's order," Kennedy said. "There is nothing more to add or apologize for. As a matter of principle, I made the decision not to resign."

Kennedy had confirmed to the San Diego Union that

the CIA and the Justice Department had blocked the indictment of Miguel Nassar Haro, until January national director of Mexico's internal security agency.

"The statement attributed to me in the San Diego Union article dated March 26, 1982, was an accurate confirmation," Kennedy said yesterday.

The theft ring was suspected of stealing between \$30 million and \$40 million worth of luxury cars from Southern California dealers and turning them over to high-ranking Mexican government officials.

San Diego federal prosecutors wanted to indict Nassar but reportedly were thwarted by the CIA and Justice Department, which considered him an indispensable intelligence source for Mexico and Central America.

Kennedy was summoned to Washington last week to meet with Justice Department officials about his disclosure, considered especially damaging because of the administration's initiatives in Central America and Mexico.